

HORIZONTAL MACHINING & MANUFACTURING INC. LEAN
TRANSFORMATION

ABOUT HORIZONTAL MACHINING MANUFACTURING. South Dakotans have many things to be proud of in their state, especially when it comes to the manufacturers. One manufacturer and economic driver in particular is Horizontal Machining & Manufacturing Inc. (HMMI) in Huron, South Dakota. The family-owned manufacturer started out in 1997 with only five employees and two machining centers. In 2005, HMI grew into Horizontal Machining and Manufacturing. They invested in automated equipment and soon after added heavy lifting equipment to produce large structural weldments. Today HMMI is one of the community's largest employers, employing 75 people in a facility with over 100,000 square feet. They offer a variety of high quality services from large-scale weldments to machining and abrasive blasting to assembly and more! Their attention to detail and commitment to customer satisfaction allow them to produce high quality welds for complex and unique projects.

THE CHALLENGE. Finding enough workers is always an issue in small towns, and as service requests grew, HMMI knew they would need to learn how to do more work with the same number of employees. HMMI decided to call South Dakota Manufacturing & Technology Solutions (MTS) to help evaluate their current state and prioritize projects to meet their higher demand.

MEP CENTER'S ROLE. MTS and HMMI worked together to create a door-to-door value stream map along with a detailed action plan. After the VSM project was complete, the leadership team at HMMI decided to embark on a Lean Transformation with MTS. Time spent together was dedicated to standardized work, quick changeover, planning and scheduling, 5S, plant layout and developing a strategic plan. Once new policies became final, they were communicated throughout the organization and action took place. Small changes yielded big results. Through hard work, perseverance, and a long-term perspective, HMMI worked to develop their people and processes to deliver high quality fabrication and machining services.

"With the implementation of 5S and quick changeover, we believe we have added 20% capacity already! We value the experience and knowledge MTS has brought to our plant. The work MTS has helped us with has been remarkable."

-Linda Scher, Owner

RESULTS



Lead-time was reduced from six weeks to four weeks



Work In Process went from \$1.1 million down to \$400,000 which helps their cash flow enormously



On Time delivery has improved from a low of 46% to a consistent 85% per quarter

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